

AMENDED IN ASSEMBLY MARCH 8, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 62

Introduced by Assembly Member Cohn

February 16, 2001

An act to add ~~Section 100.8 to the Revenue and Taxation Code Part 8.5 (commencing with Section 17750) to Division 4 of Title 2 of the Government Code~~, relating to local government finance, *and making an appropriation therefor*.

LEGISLATIVE COUNSEL'S DIGEST

AB 62, as amended, Cohn. ~~Power plant~~ *Powerplant* facilities: property tax ~~revenue allocations~~ *incentives*.

~~The California Constitution requires the State Board of Equalization to assess the property, other than franchises, of companies transmitting or selling electricity. Existing property tax law provides for the valuation, as a unit, of properties of a state assessee that are operated as a unit as a primary function of that assessee, and for the allocation of the assessed value of the unit among various counties in which the state assessee's unitary property is located. Existing law also provides, pursuant to specified formulas, for the application in each county of specified tax rates to unitary assessed value, and for the allocation among jurisdictions in that county of the resulting revenues.~~

~~This bill would require that the assessed value of a new powerplant facility, as defined, be allocated exclusively to the county in which the primary power-generating operation of that facility is located. This bill would also require those revenues, derived from the assessment of this property, to be allocated among the jurisdictions within that county in~~

~~accordance with the percentage shares of revenues from locally assessed property taxes allocated among those same jurisdictions. By establishing new duties with respect to the annual allocation of property tax revenues derived from state-assessed property, this bill would create a state-mandated local program.~~

Existing property tax law requires the county assessor to assess the value of certain electric generation facilities. Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally requires that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined.

This bill would appropriate from the General Fund those amounts necessary to fund payments equal to 25% of the property tax revenue derived from a new powerplant facility, as defined, to a qualified local agency, as defined, for 5 fiscal years after the facility is first placed in service. This bill would require county auditors to provide information to the Controller, upon request, to assist the Controller in calculating the payments required by this bill. By requiring county auditors to provide this information to the Controller, this bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: ~~majority~~ ^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 100.8 is added to the Revenue and~~
- 2 ~~Taxation Code, to read:~~
- 3 ~~100.8. Notwithstanding any other provision of law, for the~~
- 4 ~~2001-02 fiscal year and each fiscal year thereafter, all of the~~
- 5 ~~following apply:~~
- 6 ~~(a) The property tax assessed value of a new powerplant facility~~
- 7 ~~assessed by the State Board of Equalization shall be allocated~~

entirely to the county in which the primary power generating operation of the new powerplant facility is located, and shall be allocated to a single, countywide tax rate area.

(b) The total tax rate applied to the assessed value allocated pursuant to subdivision (a) shall be the sum of the rates calculated pursuant to subdivision (b) of Section 100.

(c) The revenues derived from the application of the total tax rate described in subdivision (b) to the assessed value allocated pursuant to subdivision (a) shall be allocated among the jurisdictions in the county in percentage shares that correspond to each of those jurisdiction's percentage share of the total amount of revenues, derived from locally assessed property, allocated among those jurisdictions.

SECTION 1. Part 8.5 (commencing with Section 17750) is added to Division 4 of Title 2 of the Government Code, to read:

PART 8.5. INCENTIVES TO COUNTIES, CITIES AND COUNTIES, AND CITIES FOR SITING POWERPLANTS

17750. (a) Notwithstanding Section 13340, there is hereby appropriated from the General Fund to the Controller, without regard to fiscal years, those amounts that are necessary to fund the payment to each qualified local agency, for each of the first five fiscal years following the first placement in service of a new powerplant facility over which that agency has land use authority, a sum equal to 25 percent of the amount of property tax revenue derived from that facility.

(b) For purposes of this section:

(1) "Qualified local agency" means a city, county, or city and county that has land use authority over a new powerplant facility.

(2) A county has land use authority over a new powerplant facility only if that new powerplant facility is located within an unincorporated area of the county.

(c) A county auditor shall, upon request of the Controller, provide that information necessary for calculating the payments required by this section.

(d) For purposes of this section, "new powerplant powerplant facility" means a site and related facility that is certified, on or after January 1, 2002, pursuant to Chapter 6 (commencing with Section 25500) of Division 15 of the Public Resources Code.

1 SEC. 2. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 this act provides for offsetting savings to local agencies or school
4 districts that result in no net costs to the local agencies or school
5 districts, within the meaning of Section 17556 of the Government
6 Code.

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